

DESPATCH

EAST AFR. PROT.

No. 26372

C. O.

26372

RECEIVED

27 JUL 05

Feb.

1905

(Subject.)

Rates for cart^g of coal + soda for E. Afr. Syndicate

1905

July

with exist^g engines full sh^d not exceed 9^h per train mile at flights quoted earnings est^d at 54 pence working expenses 51.5 p^r train mile. Profit therefore on carrying 160,000 tons water + 50,000 tons coal under 5% on which^g expenses or about £4000 p. a.

(Minutes.)

Dr. H. Omsomey

This is a very different figure from that mentioned by Sir C. Owen + just matter for reflection. ~~Surplus~~ Cost per train mile - made up of (a) fuel (b) other expenses. With regard to (a) Sir C. Owen has assumed a cost which is twice as great as the actual cost. With regard to (b) he assumed a figure which bore the same relation to the cost of fuel as his own railway, + then added the very liberal margin of 50% to 100% in account of the peculiar circumstances of the Uganda R^r. He was ~~unfortunately~~ well aware of the small carrying capacity of the line + yet, judging from the expenses of the line, calculated that, after making the above mentioned liberal allowances, we ought to make a profit of 33 1/3%. It was ~~that~~ we shall only make a profit of ~~later~~

24603

470 + 570, & we must conclude that
the cost of working the line is enormous, as
judged by the standard of this country. A
paper is in circulation on which the salaries
paid to the leading Uganda Railway officials
are compared with the salaries paid to the
officials of other colonial lines, & it looks
as if economy was required in this direction,
there may be other items ~~in which~~ which
require reduction. It is known, as a matter
to be discussed at least this paper, & the question
is whether with the moderate profit
referred to in the tel, it is good policy
to give the Syndicate the terms suggested
in $\frac{V}{23588}$. Now that we have all the
data, perhaps the shortest way would
be to arrange a confer. with the Treas.
& arrive at a definite understanding.

H. J. R.

28/7

So passed.

WKO at a/c. c.

20/7

THE MEDICAL OFFICE,
10, DEodar STREET, LONDON.

DERBY HOUSE,
ST JAMES'S SQUARE.

593

8th August 1906

Dear Sir

Could you see the Hon
Arthur Stanley if he called at the
Colonial Office this afternoon at
6 o'clock on the subject of Lake Nygard,
about which he has already spoken
to the Secretary of State. If it is not
convenient for you to see Mr Stanley
today, could you see him at 11 o'clock
tomorrow morning?

Yours faithfully

J. H. B. Brown

Montagu F. Drummond

H. C. D.

Mr. Stanley called to say that the Syndicate
still wants the $\frac{1}{2}$ % rate for soda contracts
for a longer period than 3 years and that
there are some people who think $\frac{3}{4}$ % would
be fatal to them if successful as it would
mean no profit.

Toward Texas sorry to hear that
their margin was so narrow, it made the
speculative nature of the undertaking
very obvious.

What he wants is that we should
agree not to raise above $\frac{1}{2}$ % until the
dividends on their ordinary shares reach

3% - Said it would depend on how
their Company was capitalized whether
such a proposal could be considered. Even
if they raised their capital mainly by debentures
it would not be acceptable.

1870 1/10

26972

W. G. H.
No.
Exp. Africa Protectorate

1/2

C. O.
26572
JUL 27 1905

Telegram. Commissioner Sir D. Stewart to Mr. Lyttelton

Received Colonial Office 7.16.p.m. 26th July/1905.

599

23568

No. 160. 25th July Your telegram 21st July *

The existing engine coal fuel should not exceed nine pence per train mile. At freights quoted earnings estimated at fifty four pence, working expenses 5 1/2 pence per train mile. Profit therefore on carrying 150,000 tons narrow gauge and 50,000 tons coal under 5 per cent. working expenses is about £7000 per annum.

x ho 23.68



REPLIES SHOULD BE ORDERED "VIA EASTERN."

THE EASTERN TELEGRAPH Co. LTD.

600

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STRAND

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Foreign Auction Hall, COVENTRY
111, COLLEGE STREET

26372

REG. D. 27081 WOS

RECEIVED
26
1901

Handwritten initials and scribbles

The following TELEGRAM was
sent to you on the 26th

At 10.40 AM on the 26th

Francis

160

2673

gambel

to inform the getye rupturing

21 July

to be run with existing engines
should not

to be of green like excess mine

to be per train mile for carrying

freights quoted earnings

attached etc

and fiftyfour pence

making expenses \$1.5 pence

to be train mile for carrying

SEE HALF BOOK

at the discretion of the

of the company whose agents are
at stations of telegraph
and telegraph
the company

would be in enormous demand in
the country for the soda, which
is of a special quality, & is at
present manufactured on a large
scale by one firm only.

4. With a view to reducing
the cost of transport as far
as possible it is proposed to
reduce the bulk of the soda
by calcining it at the Lake, &
it is estimated that one
ton of Coal will be
required to calcine 3 tons
of Soda.

5. The Syndicate propose to
construct ^{the} ~~the~~ branch railway,
and to erect the
pier, storehouses, & referred
to in the 2nd para. of their
line, but they admit that
they are unable to raise the
necessary funds unless special
low rates ^{for their soda & coal} are granted to them
for a ^{long} ~~prolonged~~ period on
the Government railway &
they claim that they are
entitled to this concession
on ~~various~~ ^{the} grounds ^{which will}
that ^{the}

6. The points at issue between the Govt. & the Syndicate have been discussed at great length both by correspondence & at personal interviews with the Director, & the correspondence will hereafter be transcribed & a copy of the most recent correspondence on the subject enclosed for their Lordships' information. Since the letter from the Dept. of the 10th of July was written a deputation from the Director of the Syndicate has stated at a personal interview that they undertake before to underwrite the enterprise unless the Govt. guarantee certain special low rates for a long period - say 20 years, the first period

then railways will ultimately benefit both the Railway, the State & that it will emit the development of the Port & will be of advantage to British shipping & trade.

DRAFT.

MINUTE.

- Mr.
- Mr.
- Mr. Anthonus.
- Mr. Cox.
- Mr. Lucas.
- Mr. Graham.
- Sir M. O'Mahoney.
- The Duke of Marlborough.
- Mr. Lyttelton.

period of the least 20 years. It will be seen from the Commissioner's telegram of the 26th of July that the rates of $\frac{1}{2}$ a ton per mile for soda & 7 a ton per mile for coal which have been offered to the Syndicate for a period of two years are sufficient to cover working expenses in connexion with the carriage of the minerals & to produce a profit of 5% on these expenses to be applied in diminution of the debt charges. They are therefore slightly more remunerative than the present rates at present in force on the Uganda railway for goods & general which produce barely enough to cover working expenses but they are ~~unremunerative~~ ^{the for profit the} ~~the Govt. will derive from the~~ ^{the proposed rates will} ~~the~~ ^{of course} ~~both the working expenses~~ ^{contribution towards the} ~~debt charges. It is~~ ^{undoubtedly a matter for} ~~the~~

the answer of H. M.'s first letter, as a matter of policy, they will grant certain the low rate, ^{as agreed for} ~~which we are not~~ ~~steadily increasing remuneration~~ for a definite period.

The hope that the industry will continually be able to support rates which are ^{adequately} ~~remunerative~~ ^{and} ~~will allow to~~ confer indirect advantages in the way of the general development of the Probation.

8. After careful consideration Mr Lyttelton is disposed to think that the following terms might be offered to the Syndicate:-

(1) For a period of 3 years from the date on which the branch line is opened for traffic, the first rate of $\frac{3}{2}$ per ton per mile

The present rate for mineral in full wagon loads on the Highlands railway is 7 per ton per mile and

the rates which have been the subject of correspondence with the General Manager

mile for soda and 7 per ton for coal in the Kinc. branch section of the first railway & provided that the Syndicate undertake to export not less than 30,000 tons of soda annually)

(2) For a further period of 18 years the first undertake not to raise the rates above $\frac{3}{4}$ per ton per mile for soda and 7 per ton per mile for coal.

(3) These privileges to be granted in the understanding that satisfactory arrangements are made with regard to the competition in which the branch line is to be constructed, the price of Kilmindine is to be restricted, or - matters with which Mr Lyttelton thinks it unnecessary to trouble the shareholders, who may rest assured

around that will possible
steps will be taken to
safeguard the interests of
the port.

9. Mr. Lytton trusts that
the proposed arrangement
will commend itself to
their Lordships & he
would point out that,
apart from the prospective
benefit to the Railway,
the ~~the~~ Porters will
derive considerable ^{advantage} benefit
& other districts of the
interior is successful,
namely, for the royalty
of 5% on profits generated
by bonded goods the lease,
for the customs duties
& railway rates on the
material imported for
the canal railway ^{and the Company's other}
buildings, ^{and} for the
general development of the
Porters which a large
industry of the nature must
tend to promote.

See (2) Col. Bruce

EAST AFR PROT.
No. 30644

C. B.
30674
Recd 25 AUG 05

No. 424

1905

See file
at previous Paper.

(Subject.)

Irregularities in Acts of Standi St.

Local Auditor has reported. Encloses copy of
report by Bd of Enquiry into conduct of Mr. [Name]
who was in charge of district. He has been guilty of
gross negligence. Considered he will be sufficiently
punished if he is degraded & sent to former rank of
Asst Collector.

particulars (Minister)
Mr. Road

Mr. Mayer entered the pay of
the Station Puters at Rs. 10 per
month - the sanctioned rate -
but actually paid them only
Rs. 6 or Rs. 4. It appears that
heard the man employing
the men who were employed on
that work but also on building
his own house; the man however
was fully paid out of his own
pocket.

With regard to the cattle
he admitted to enter in the
store ledger the captured
cattle received in March.

Checked by [Name] 26/11/05
[Name] 26/11/05
[Name] 26/11/05

Signature

until May (when he knew he was about
to be released) and he metted
to write the names of the people to
whom he sold cattle or liquor then
incapable

On the whole I think we may
accept the view of the Comr. that
Mr. Meyer had no criminal intention
of that kind. It will be sufficiently
punished by degradation to the
rank of hon. Collector & by loss of
salary during his suspension
(at least 6 months)

There are however affidavits on offer
for introducing some of our rules

The law relating to presents referred
to on p. 2 shd. be disallowed,
& the address of the Comr. of Cal. Regs
421 to 423 cancelled

" With regard to the question of
bidding (p. 19) - might
to Cal. Regs 46 - to 46C
& request the Comr. to enforce
these Regs. fully tho. not
as a penalty with the intention
of a officers who may
have been in trading with
the official agents & persons
of the Govt.

What is the
provision made by
the Comr. for
the procedure in
this case?

agree
that

agree
that

It is not
to be assumed
that the
provision
is in itself
sufficient
to prevent
the
Principal

III The records of the enquiry against
some have not quite satisfied
- long - as we have no statement
from Mr. Meyer in his own
607
defense - and we should
instruct the Comr. to follow
as far as may be the in such
cases the provisions of Cal. Regs
81 to 96 - substituting for
the Executive Council a Board of
not less than 3 officers of
equal or higher rank in the
service.

In connection with Mr. Barth's
remark that a judge would
not convict Mr. Meyer refer to
Cal. Reg. 96A. I have that
acquitted on a criminal charge
if acquitted the mere probability
of acquittal are no bar to
the suspension & dismissal of an
officer in a professional
M 29/8

Committee
approve the proposed
the punishment of Mr Meyer
then let the authorities decide
the matter

by Mr Ellis. I agree with him that it wd be desirable to proceed as he proposes but I am not sufficiently acquainted with the circumstances of the Protocol to decide.

W.P.S.
29/8 atome

See marginal notes

Mr. ...
at ...

Mr. ...

Perhaps you can say what the ... practice is

W.P.S. 2/10

Mr. ...
... of the ...
... of the ...

It seems to me that this article includes or at least does not order an enquiry at which the witnesses proposed may be sifted really. This appears to be a most desirable provision, & accordingly I shd not adopt the ... as a model.

W.P.S. 16/10

Conrad
30674
C. G. P.

608

DRAFT

C. G. P. No 3914

Conrad
Sir A. Stewart

MINUTE.

Mr. ... 20/8/01

- Mr. ...
- Mr. ...
- Mr. ...
- Mr. ...
- Mr. ...
- Mr. ...
- Mr. ...
- Mr. ...

... to Mr. ...
... on his return

W.P.S.

1 September
August 05

Sir ...
I enclose the ...
of the ...
of irregularities which have been discovered in the accounts of the ...
I offer your opinion in reducing ...
responsible for these irregularities, to the

rank of Assistant
Collector

I shall address you in
a letter due on certain
points of general
administration arising
out of this case.

J

Comm
30674

6 Oct

609

DRAFT.

6 Oct P No 472

O.C.C.

26th October 05

Sir

In my dep No 294
of the 1st ult. I informed
Sir D Stewart that
I would address him
at a later date on
certain questions of
general administration
arising out of the
report on the irregularities
discussed in the minutes
of the Nairobi Station

MINUTE.

Mr. White 16/10

Mr. Read 1/6

Mr. Atrobus 2/7

Mr. Cox.

Mr. Lucas.

Mr. Graham.

Mr M. O'Connell.

Mr of Onslow.

Mr Chamberlain.

for review

See further minutes

2
With regard to the
charge of trading in
cattle brought against
Mr. Mages. Please to
call your attention
regard that you will

with the attention of
all officers of the Institution
to the provisions of the
Regulations, for which
it is desired to provide
safely, tho' not so
readily as to involve
serious loss on officers
who may have been trading
with the bank or in any
affair of the Govt.

3. The records of the company
is transmitted to me
is not quite satisfactory.
e.g., there is no statement
by Mr. Mayer on his
own defence. I should
be glad to see ^{his} ~~his~~
opinion ⁱⁿ ~~in~~
future, when an officer's
conduct calls for serious
investigation, the provisions
of pars 81 to 96 (d)
of the Clerical Regulations
may be drawn as far
as possible. As there
is at present no provision

Council in the Probation
proceedings referred
to in pars 95 it may be
well to take place before
a board of not less
than 3 officers of equal
or higher rank than
the officer charged.

4
~~With regard~~
The rule introduced by
Sir H Johnston, &
referred to in your
memorandum of the 17th
of July, under which
officers are allowed to
accept private presents
from natives, on which
return presents not of
their own purchase, shall
be abrogated, & the
provisions of pars 92 &
422 of the Clerical Regs
under which such presents
are credited to Govt,
shall be drawn in
future. H